

### **REMARKS**

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1 and 4-20 are pending in the present application. Claims 1 and 4-19 have been amended, and Claim 20 has been added, all without the introduction of any new matter.

Applicant thanks the Examiner for the courtesy of an interview extended to Applicant's representative on December 1, 2008. During the interview, the rejections noted in the outstanding Office Action were discussed. No agreement was reached pending the Examiner's further review when a response is filed. Arguments presented during the interview are reiterated below.

In the outstanding Office Action, Claims 1 and 4-19 were rejected under 35 U.S.C. § 101; and Claims 1, 4-6, 9-10 and 14-19 were rejected under 35 U.S.C. § 103 as unpatentable over Chandra et al. (U.S. Patent Application Publication No. 2001/0032197, herein "Chandra") in view of Johnson et al. (U.S. Patent No. 6,598,029, herein "Johnson"), Collins (U.S. Patent No. 3,661,542), Chichilinsky (WO 00/08567) and Shao et al. (U.S. Patent No. 7,191,150, herein "Shao"); and Claims 11-13 were rejected under 35 U.S.C. § 103(a) as unpatentable over Chandra in view of Johnson, Collins, Chichilinsky, Shao and further in view of Mandler (U.S. Patent No. 5,732,400).

Regarding the rejected under 35 U.S.C. § 101, the claims are modified in light of the comments noted in the outstanding Office Action. Accordingly, it is respectfully requested this rejection be withdrawn.

Claims 1, 4-6, 9-10 and 14-19 were rejected under 35 U.S.C. § 103 as unpatentable over Chandra in view of Johnson, Collins, Chichilinsky and Shao. That rejection is respectfully traversed.

Amended independent Claim 1 is directed to a partially computerized method for acquiring natural gas in large quantities by a gas utility company. The purchase of gas from a gas producer is financed by an intermediary entity and the purchased gas is distributed to the gas

utility company's customers. The method includes (i) negotiating a purchase, transport, and storage cost of the gas by the gas utility company and the intermediary entity, (ii) determining a quantity of gas to be purchased based at least in part on historic demand data for gas in a geographic territory served by the gas utility company, (iii) acquiring funds to pay for gas purchased by the intermediary entity by issuing debt instruments by the intermediary entity through financial markets, (iv) providing payment by the intermediary entity for the gas and taking title to the gas by the intermediary entity, (v) carrying out one from the group consisting of transporting the gas to a storage facility and identifying the gas at a predetermined storage facility, (vi) determining gas deliverability capacity of the storage facility by selected measurements of gas pressure at the storage facility to provide for scheduling one of repayment and rollover of the debt instruments, (vii) determining the risk of receiving payment from the gas utility company by the intermediary entity based on selected parameters of the geographic territory using a computer, (viii) delivering gas to the gas utility company's customers, (ix) collecting payments by the intermediary entity from the gas utility company for gas delivered to the gas utility company's customers in accordance with a sales contract between the gas utility company and the intermediary entity, and (x) conducting one selected from the group consisting of repayment and rollover of debt instruments at maturities thereof by the intermediary entity utilizing funds received from the gas utility company pursuant to the sales contract. The risk determination includes assessing the gas deliverability capacity and the historic demand within said geographic territory and costs associated with said debt instruments.

In a non-limiting example, Figures 2-4 illustrate an exemplary intermediary entity 22 entering into transactions with one or more gas utility companies 24. The intermediary entity 22 interacts with one or more gas utility companies 24, one or more gas storage facilities 25, and one or more financial markets 34. One or more debt instruments are issued by the intermediary entity 22 through the financial markets 34. The intermediary entity 22 seeks a credit rating from one or more credit rating entities 32 which is more favorable than any of the gas utility companies 24 (see paragraph 24) which provides a financial incentive along with reduced risk through risk assessment for the intermediary entity 22 to enter into the transaction (see paragraph 30).

In order to assess the risk of entering into contractual relationships with any of the gas utility companies 24, a risk determination is performed (see paragraph 25). As shown in Figure 3, certain information is obtained by the intermediary entity 22 for forecasting purposes and to assess the risk of entering into the contractual relationship (see paragraphs 26-28). The risk determination includes assessing gas deliverability capacity and historic demand within a geographic territory and costs associated with debt instruments.

As shown in Figure 4, the intermediary entity 22 negotiates for the gas to be purchases, transported and sold. The intermediary entity 22 issues debt instruments through financial markets 34, to cover the cost of the gas. Gas is delivered to the gas utility companies' 24 customers and payments are collected from the gas utility companies 24. Since repayment of debt instruments is schedules within set time periods from withdrawals of gas from storage, rollover of the debt instructs may be required (see paragraph 34).

Chandra does not teach or suggest "acquiring funds to pay for gas purchased by the intermediary entity by *issuing debt instruments by the intermediary entity through financial markets.*" Instead, Chandra discloses "receipts and invoices" to the gas producers (paragraph 44). Applicant submits that issuing a debt instrument between an intermediary entity and a third party (unrelated to the gas producer or gas utility company) through a financial market is not equivalent to a receipt or invoice to the gas producer or any other entity. In fact, these are wholly unrelated events.

Chandra further does not teach or suggest "determining the risk of receiving payment from the gas utility company by the intermediary entity based on selected parameters of the geographic territory using a computer" in which "the risk determination includes assessing the gas deliverability capacity and the historic demand within said geographic territory and costs associated with said debt instruments."

Further, Chandra discloses that "[t]he goal of transaction hub 1 is to facilitate energy procurement, billing, and service transactions among multiple business entities that potentially operate drastically different IT systems. The data normalization accomplished . . . is key to the transaction hub 1 architecture" (see paragraph 36). In part, because the purpose of Chandra's

teaching is to facilitate data exchange, Chandra teaches a myriad of different transactions and players. However, Chandra fails to teach the invention taught and claimed by Applicant.

The Examiner is referred to the pictorial remarks, Figs. A and B below. Chandra's teachings are summarized on the top of the following page and are in contrast to the invention taught and claimed by the present invention (claim 1). Chandra discloses that the Marketing Channel 2 is an entity marketing goods or services to end customers (see Fig. 1 and paragraph 18). The Marketing Channel 2 may be a utility (see paragraph 18). And the Transaction Hub 1 may itself be a Marketing Channel 2. Of course, if the Transaction Hub is itself the Marketing Channel/Utility Co, then the Transaction Hub 1 is not an Intermediary as taught and claimed by Applicant and as readily understood by one of ordinary skill in the art.

Turning to Customers 3, 4, as taught by Chandra, Customers may receive Market Channel goods, Hub Owner goods, or 3rd party goods (see paragraph 18). The only customer taught and claimed by applicant is the Utility Customer. Therefore, only under the circumstance where the Marketing Channel 2 is a Utility and the Customer is supplied Utility Co. goods can Chandra's teachings apply to the claimed invention.

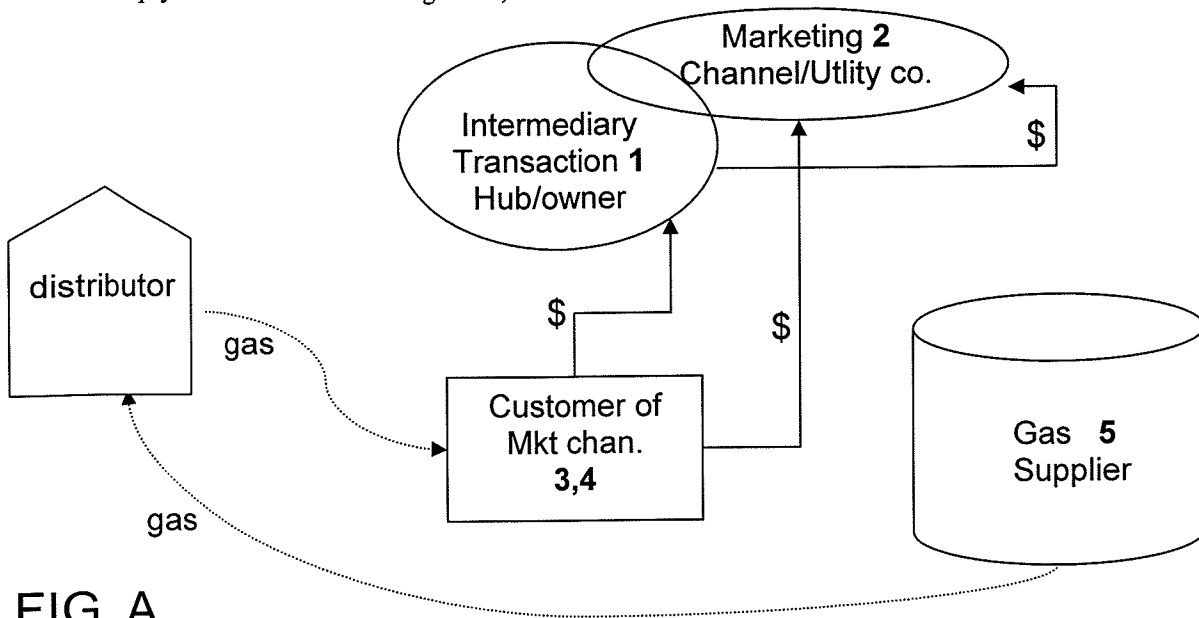


FIG. A

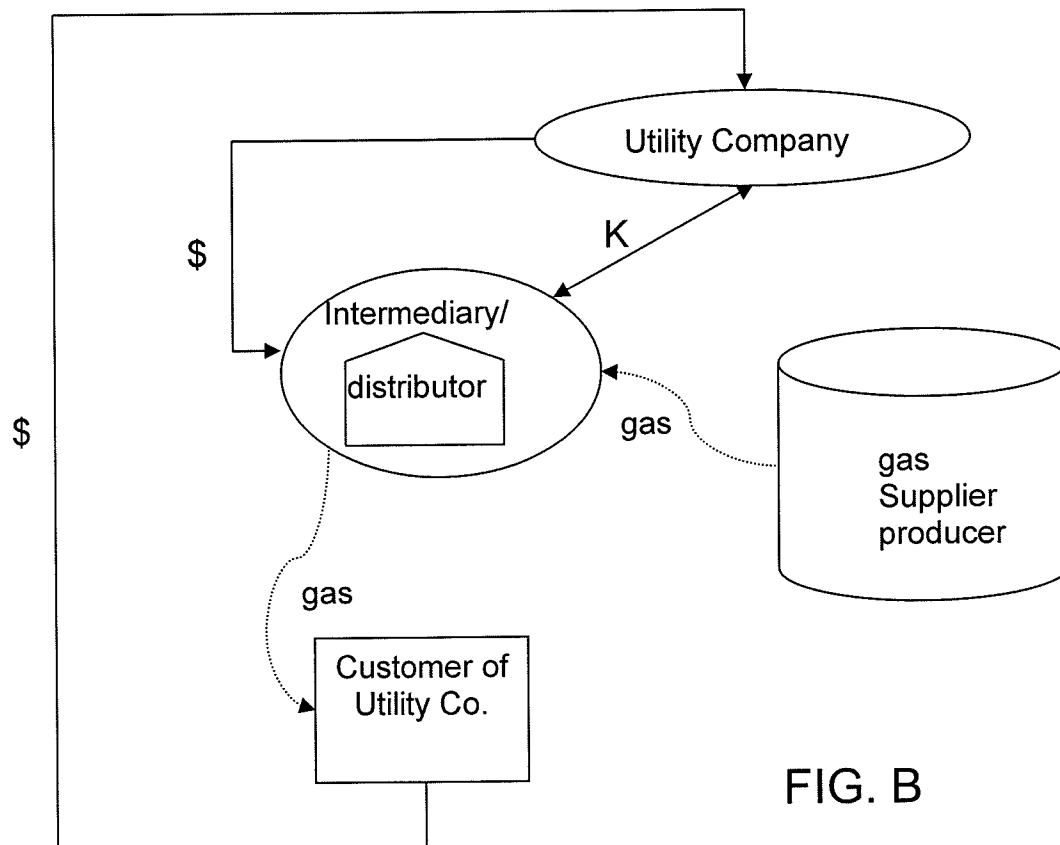


FIG. B

Chandra discloses that “[t]he process beings with enrollment 110 of a Customer in an interaction represented by transactions 13 and 14” (Between the Marketing Channel and a Customer) (see Figs. 1 and 6; paragraph 39).

Claim 1 requires “. . . negotiating the purchase, transport, and storage cost of said gas by said utility company and said intermediary entity.” In contrast, Chandra teaches, “[t]ransaction hub 1 then contracts in step 140 with suppliers such as wholesale marketers 5 in transaction 15. The contract terms include delivery locations, quantities, prices, payment information, and other terms and conditions” (see paragraph 42). As demonstrated above, the Marketing Channel 2 has the customers and can be a Utility Company, while the Transaction Hub 1, as taught by Chandra, must assume the role of the Intermediary. Chandra fails to teach or suggest a sales contract between the Hub (intermediary) and the Marketing Channel (Utility Co.) Further, Chandra discloses that the Hub calculates a detailed customer’s invoice for product, delivery and the like, as well as an invoice for its own services, which are provided to the Marketing Channel 2 (see paragraph 47). Regardless of whether the Customer submits payment to the Marketing Channel or the Hub 1, Chandra does not teach or suggest, “collecting payments by said intermediary entity (hub) from said utility company (marketing contract) for gas delivered to the utility company’s customers *in accordance with a sales contract between said utility company and said intermediary entity.*”

No teachings in any of the further cited references to Johnson, Collins, Chichilinsky or Shao can overcome the above-noted deficiencies of Chandra.

In particular, Johnson fails to the above-noted deficiencies of Chandra. Instead, Johnson discloses an auction service which stimulates competition across energy suppliers.

Collins fails to the above-noted deficiencies of Chandra. Instead, Collins discloses an apparatus and method for “peak shaving” storage of gas in a gas distribution system wherein the pressure varies from a maximum when demand is low to a minimum when demand is high.

Chichilinsky fails to the above-noted deficiencies of Chandra. Instead, Chichilinsky merely discloses allocation of risk and bundling an insurance contract with a derivative security associated with large-scale weather-related risks. Applicant also notes that that one skilled in the

art would not be motivated to combine this reference as it is outside the field of the present invention. In particular, Chichilinsky does not relate to the gas utility industry.

Shao fails to the above-noted deficiencies of Chandra. Instead, Shao discloses a predictive model, for example a neural network, evaluates individual debt holder accounts and predicts the amount that will be collected on each account based on learned relationships among known variables.

As stated in M.P.E.P. §2143, a basic requirement for a *prima facie* case of obviousness is that the prior art reference (or references when combined) must teach or suggest all the claim limitations. As the cited references do not teach or suggest the features of (i) acquiring funds to pay for gas purchased by the intermediary entity by issuing debt instruments by the intermediary entity through financial markets; (ii) determining the risk of receiving payment from the gas utility company by the intermediary entity based on selected parameters of the geographic territory using a computer in which the risk determination includes assessing the gas deliverability capacity and the historic demand within said geographic territory and costs associated with said debt instruments, or (iii) collecting payments by said intermediary entity from said utility company for gas delivered to the utility company's customers in accordance with a sales contract between said utility company and said intermediary entity, it is respectfully submitted the outstanding Office Action has not created a *prima facie* case of obviousness with regard to independent Claim 1, and the claims dependent therefrom.

Accordingly, it is respectfully requested this rejection be withdrawn.

Claims 11-13 were rejected under 35 U.S.C. § 103(a) as unpatentable over Chandra in view of Johnson, Collins, Chichilinsky, Shao and further in view of Mandle. That rejection is respectfully traversed.

Claims 11-13 depend directly or indirectly from claim 1 and hence require each and every element of claim 1. As demonstrated above, the combination of Chandra, Johnson, Collins, Chichilinsky, and Shao fail to teach or suggest, (i) acquiring funds to pay for gas purchased by the intermediary entity by issuing debt instruments by the intermediary entity through financial markets; (ii) determining the risk of receiving payment from the gas utility company by the intermediary entity based on selected parameters of the geographic territory

using a computer in which the risk determination includes assessing the gas deliverability capacity and the historic demand within said geographic territory and costs associated with said debt instruments, or (iii) collecting payments by said intermediary entity from said utility company for gas delivered to the utility company's customers in accordance with a sales contract between said utility company and said intermediary entity.

Mandler fails to the above-noted deficiencies of Chandra, Johnson, Collins, Chichilinsky, and Shao. Instead, Mandler discloses a risk-based discount fee as a function of the buyer's risk classification in order to establish a payment amount to the seller from the clearinghouse.

Accordingly, it is respectfully requested this rejection be withdrawn.

Additionally, Applicant submits that new Claim 20 is allowable because the applied art does not teach or suggest the computer implemented method as claimed.



**CONCLUSION**

In light of the arguments set forth above, Applicant respectfully submits that the Application is now in allowable form. Accordingly, Applicant respectfully requests consideration and allowance of the currently pending claims.

The Commissioner is hereby authorized to charge the fee for a one month extension in the amount of \$65. It is believed that no additional fees are due at this time. If this is incorrect, Applicant hereby authorizes the Commissioner to charge any fees, other than issue fees, that may be required by this paper to Deposit Account No. 07-0153. The Examiner is respectfully requested to call Applicant's Attorney for any reason that would advance the current application to issue. Please reference Attorney Docket No. 126740-1002.

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Respectfully submitted,

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